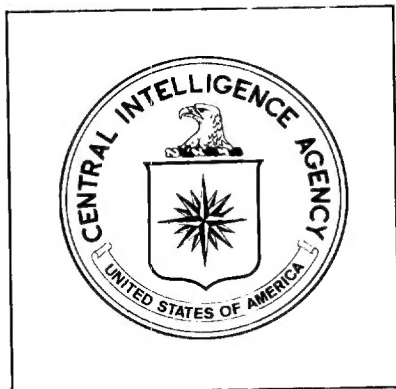


**Top Secret**

NOFORN



# STAFF NOTES:

## Middle East Africa South Asia

**Top Secret**

*Handle via COMINT Channels*

SC No. 08368/75  
November 4, 1975

*NOFORN/NOCONTRACT/USIB ONLY/ORCON*

**Warning Notice**  
**Sensitive Intelligence Sources and Methods Involved**  
**(WNINTEL)**

**NATIONAL SECURITY INFORMATION**  
**Unauthorized Disclosure Subject to Criminal Sanctions**

**DISSEMINATION CONTROL ABBREVIATIONS**

<b>NOFORN-</b>	Not Releasable to Foreign Nationals
<b>NOCONTRACT-</b>	Not Releasable to Contractors or Contractor/Consultants
<b>PROPIN-</b>	Caution-Proprietary Information Involved
<b>USIBONLY-</b>	USIB Departments Only
<b>ORCON-</b>	Dissemination and Extraction of Information Controlled by Originator
<b>REL ... -</b>	This Information has been Authorized for Release to ...

Classified by 010725  
Exempt from general declassification schedule  
of E.O. 11652, exemption category:  
§ 6B(1), (2), and (3)  
Automatically declassified on:  
Date Impossible to Determine

~~TOP SECRET UMBRA~~

## MIDDLE EAST – AFRICA – SOUTH ASIA

This publication is prepared for regional specialists in the Washington community by the Middle East - Africa Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

### CONTENTS



25X6

Bahrain: Government Regulations Encounter Resistance . . . . .	3
---	---



25X1D

Nov 4, 1975

~~TOP SECRET UMBRA~~

25X6

Approved For Release 2001/08/08 : CIA-RDP79T00865A002100070001-2

**Next 1 Page(s) In Document Exempt**

Approved For Release 2001/08/08 : CIA-RDP79T00865A002100070001-2

Bahrain

*Government Regulations Encounter Resistance*

The Bahraini government, which has recently undertaken steps to regulate the prices of some essential consumer goods and services, is meeting resistance from businessmen on the Persian Gulf island. Merchants apparently complied with the price controls for about a week, but the regulated goods have since been pulled off the shelves. Last week, taxi drivers went on a two-day strike protesting the profit margin allowed them under the new regulations.

Emir Isa's government has not reacted yet to the quiet challenge, according to the US embassy in Manama. But with the government's credibility on bread-and-butter issues at stake, the embassy believes it will be difficult for Manama to back away from the issue.

When the Khalifas, Bahrain's ruling family, abolished the National Assembly last August, they blamed the "uncooperative" legislature for previous inaction and promised that quick and effective measures would be taken to deal with the island country's severe housing shortage and rapidly rising cost of living. According to a recent government-sponsored survey, the average Bahraini family spends 46 percent of its income on food.

The Khalifas' regime is likely to face future political trouble if it does not make credible progress in solving economic problems. Bahrain's unorganized, but growing industrial work force--the Khalifas have been stalling on demands to allow labor unions--and the island's sophisticated middle class could become so frustrated by economic woes as to be receptive to radical efforts to mobilize public opinion against the government. (CONFIDENTIAL)

25X1A  
[REDACTED]  
Nov 4, 1975

3

25X1D

Approved For Release 2001/08/08 : CIA-RDP79T00865A002100070001-2

Approved For Release 2001/08/08 : CIA-RDP79T00865A002100070001-2

Approved For Release 2001/08/08 : CIA-RDP79T00865A002100070001-2  
**Top Secret**



**Top Secret**